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SUBJECT: Media Reaction Sao Paulo January 27 2009

Media Reaction: Western Hemisphere -Venezuela, Chavez, re-election referendum, foreign relations, Bolivia; Colombia, Argentina, Ecuador, Paraguay, governance; Sao Paulo

Title- Elections and populist temptations

Op-Ed in liberal Folha de S.Paulo (1-27) by Eliane Catanhede says: "[on Sunday] Secretary-General of the Ibero-American Secretariat [and former Inter-American Development Bank President] Enrique Iglesias warned Latin American journalists that there will be 14 elections for presidencies in the next three years in the region [Latin America]. And...elections motivate populist temptations. Populism with public money is always worrisome, but can have dramatic consequences if combined with an economic crisis....Talking and analyzing is easy, even more when you are distant. What is tough is for leaders to convince themselves and resist [the temptation]. Especially if their own terms are at risk".

Media Reaction: Global Economy

Title- Sensible measures to avert crisis

Editorial in business oriented Valor Economico (1-27) states: "Central Banks and specialists from all over the world have not found an answer strong enough to tackle the worst financial crisis since 1930 but have made considerable progresses in the diagnosis of its causes and measures required to avert them in the future....The most sensible and broad suggestions to close the breach of the current system of regulation and make it more inclusive came from the Group of 30 [that include Timothy Geithner, Lawrence Summers and Paul Volcker]....It is unlikely that major changes in regulation are made in the short run in the midst of such a serious financial crisis. Anyway, there was significant progress made in the diagnosis and in the way of creating an efficient surveillance and protection network that hinders new catastrophes. They [measures] should be put in place at the first opportunity."

Media Reaction: New Administration's foreign policy

Title- Brazil and Obama's U.S.

Op-Ed in center-right O Estado de S. Paulo (1-27) by former Brazilian Ambassador to the U.S. Rubens Barbosa says: "...The first challenge [in the relation between Brazil and the U.S.] will be to connect the interests between the two sides....The second relates to the gradual change in the perception the U.S. has about Brazil so far....[the country] starts to be seen in Washington as having global economic weight and as having a crucial role in some of the most important themes on the international agenda....the third is to know what Brazil wants from its relation with the U.S."

Media Reaction: Western Hemisphere; Bolivia

Title- Reestablishing Bolivia

Editorial in center-right O Estado de S. Paulo (1/27)  
states:".....The new constitution has everything to cause the  
exacerbation of ethnic and regional divisions [in Bolivia], with the  
radicalization of historical tensions between indigenous and white  
people.....Bolivia will [probably] know even more 'interesting'  
times than at present, as the Chinese ironically say."  
WHITE